

1 ANDRÉ BIROTE JR.  
2 United States Attorney  
3 DOUGLAS F. McCORMICK  
4 Assistant United States Attorney  
5 Acting Chief, Santa Ana Branch Office  
6 JEANNIE M. JOSEPH (Cal. State Bar No.: 180399)  
7 Assistant United States Attorney  
8 Ronald Reagan Federal Bldg. & U.S. Dist. Courthouse  
9 411 W. 4<sup>th</sup> St., Suite 8000  
10 Santa Ana, California 92701  
11 Telephone: (714) 338-3576  
12 Facsimile: (714) 338-3708  
13 E-mail: jeannie.joseph@usdoj.gov

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FEDERAL DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIF.  
SANTA ANA

FILED  
JF

14 Attorneys for Plaintiff  
15 UNITED STATES OF AMERICA

16 UNITED STATES DISTRICT COURT

17 FOR THE CENTRAL DISTRICT OF CALIFORNIA

18 SOUTHERN DIVISION

19 UNITED STATES OF AMERICA, ) SA CR No. 10-  
20 Plaintiff, ) **SACR 10-0080**  
21 v. ) PLEA AGREEMENT FOR DEFENDANT  
22 GLEN R. JUSTICE, ) GLEN R. JUSTICE  
23 Defendant. )  
24 )  
25 )  
26 )

27 1. This constitutes the plea agreement between GLEN R.  
28 JUSTICE ("defendant") and the United States Attorney's Office for  
the Central District of California ("the USAO") in the above-  
captioned case. This agreement is limited to the USAO and cannot  
bind any other federal, state, or local prosecuting,  
administrative, or regulatory authorities.

29 PLEA

30 2. Defendant gives up the right to indictment by a grand  
31 jury and agrees to plead guilty to a five-count information in

1 the form attached to this agreement or a substantially similar  
2 form.

3 NATURE OF THE OFFENSES

4       3. In order for defendant to be guilty of counts one  
5 through five, each of which charges health care fraud in  
6 violation of Title 18, United States Code, Sections 2 and 1347,  
7 the following must be true: (1) the defendant knowingly and  
8 willfully devised or participated in a scheme to defraud a health  
9 care benefit program; (2) the statements made or facts omitted as  
10 part of the scheme were material; (3) the defendant acted with  
11 the intent to defraud; and (4) the scheme involved the delivery  
12 of or payment for health care benefits, items or services.  
13 Defendant admits that defendant is, in fact, guilty of these  
14 offenses as described in counts one through five of the  
15 information.

16 PENALTIES AND RESTITUTION

17       4. The statutory maximum sentence that the Court can impose  
18 for each violation of Title 18, United States Code, Sections 2  
19 and 1347, is: 10 years imprisonment; a three-year period of  
20 supervised release; a fine of \$250,000 or twice the gross gain or  
21 gross loss resulting from the offense, whichever is greatest; and  
22 a mandatory special assessment of \$100.

23       5. Therefore, the total maximum sentence for all offenses  
24 to which defendant is pleading guilty is: 50 years imprisonment;  
25 a three-year period of supervised release; a fine of \$1,250,000  
26 or twice the gross gain or gross loss resulting from the  
27 offenses, whichever is greatest; and a mandatory special

1 assessment of \$500.

2       6. Defendant understands that defendant will be required to  
3 pay full restitution to the victims of the offenses. Defendant  
4 agrees that, in return for the USAO's compliance with its  
5 obligations under this agreement, the amount of restitution is  
6 not restricted to the amounts alleged in the counts to which  
7 defendant is pleading guilty and may include losses arising from  
8 counts dismissed and charges not prosecuted pursuant to this  
9 agreement, as well as all relevant conduct in connection with  
10 those counts and charges. The parties currently believe that the  
11 applicable amount of criminal restitution is between \$400,000 and  
12 \$1,000,000, but recognize and agree that this amount could change  
13 based on facts that come to the attention of the parties prior to  
14 sentencing. Further, the amount paid by defendant in criminal  
15 restitution to any federally-funded health care benefit programs,  
16 such as Medicare, Tricare, and carriers contracted with the  
17 federal government through the Federal Employee Health Benefit  
18 Program, shall be credited against and shall reduce, by an amount  
19 equal to the amount of the restitution payment, the defendant's  
20 obligation to pay any civil settlement in connection with this  
21 matter. Similarly, the amount paid by defendant in any civil  
22 settlement shall be credited against and shall reduce, by an  
23 amount equal to the amount of the civil settlement payment, the  
24 defendant's obligation to pay any criminal restitution to  
25 federally-funded health care benefit programs, such as Medicare,  
26 Tricare, and carriers contracted with the federal government  
27 through the Federal Employee Health Benefit Program in connection  
28 with this matter. This agreement shall not prejudice or restrict

1 the government's right to plead and prove, in any civil action in  
2 connection with this matter, that the government sustained losses  
3 in excess of \$1,000,000. Defendant agrees to make restitution at  
4 or before the time of sentencing. Defendant further agrees that  
5 defendant will not seek the discharge of any restitution  
6 obligation, in whole or in part, in any present or future  
7 bankruptcy proceeding.

8 7. Supervised release is a period of time following  
9 imprisonment during which defendant will be subject to various  
10 restrictions and requirements. Defendant understands that if  
11 defendant violates one or more of the conditions of any  
12 supervised release imposed, defendant may be returned to prison  
13 for all or part of the term of supervised release, which could  
14 result in defendant serving a total term of imprisonment greater  
15 than the statutory maximum stated above.

16 8. Defendant also understands that, by pleading guilty,  
17 defendant may be giving up valuable government benefits and  
18 valuable civic rights, such as the right to vote, the right to  
19 possess a firearm, the right to hold office, and the right to  
20 serve on a jury.

21 9. Defendant further understands that the conviction in  
22 this case may subject defendant to various collateral  
23 consequences, including but not limited to deportation,  
24 revocation of probation, parole, or supervised release in another  
25 case, suspension or revocation of a professional license, and  
26 suspension or revocation of defendant's provider status with  
27 federally-funded and private health care benefit programs,  
28 including but not limited to Medicare, Tricare, and carriers

1 contracted with the federal government through the Federal  
2 Employee Health Benefit Program ("FEHBP"). Defendant understands  
3 that unanticipated collateral consequences will not serve as  
4 grounds to withdraw defendant's guilty plea.

5 FACTUAL BASIS

6 10. Defendant and the USAO agree and stipulate to the  
7 statement of facts provided below. This statement of facts is  
8 sufficient to support pleas of guilty to the charges described in  
9 this agreement and to establish the sentencing guideline factors  
10 set forth in paragraph 13 below. It is not meant to be a  
11 complete recitation of all facts relevant to the underlying  
12 criminal conduct or all facts known to either party that relate  
13 to that conduct.

14 Beginning on a date unknown, but no later than in or around  
15 2004, and continuing through at least in or around October 2009,  
16 in Orange County, California, defendant knowingly and willfully  
17 devised and executed a scheme to defraud federally-funded and  
18 private health care benefit programs, including but not limited  
19 to Medicare, Tricare, carriers contracted with the federal  
20 government through the Federal Employee Health Benefit Program,  
21 and Blue Cross and Blue Shield of California (collectively  
22 "Health Care Benefit Programs" or "HCBPs").

23 Defendant was a licensed physician, who owned and operated a  
24 medical practice called Pacific Coast Hematology/Oncology Medical  
25 Group, Inc. ("PCHOMG"), located at 11190 Warner Avenue #300,  
26 Fountain Valley, California. Defendant also was a provider with  
27 numerous HCBPs. As part of the scheme, defendant knowingly and  
28 willfully submitted, and caused to be submitted, false and

1 fraudulent claims to HCBPs for the following injectable  
 2 medications relating to cancer treatment: Neulasta (CPT Codes  
 3 Q4503 and J2505), Neupogen (CPT Codes J1440 and J1441),  
 4 Procrit/Epogen/Aranesp (CPT Codes Q0137 and J0880), and Neumega  
 5 (CPT Codes J2352 and J2355) (collectively "Injectable  
 6 Medications"). Specifically, defendant billed patients' HCBPs  
 7 for Injectable Medications knowing that those Injectable  
 8 Medications never were provided to the patients, or billed  
 9 patients' HCBPs for more expensive Injectable Medications when  
 10 less expensive Injectable Medications were provided, i.e.,  
 11 "upcoding." Defendant did this despite being advised by staff  
 12 not to do so, and subsequent to execution of a search warrant at  
 13 his medical practice in November 2006.

14 The following are five of numerous false and fraudulent  
 15 claims that defendant intentionally, knowingly, and willfully  
 16 caused to be submitted to and paid by HCBPs for Injectable  
 17 Medications that were not provided or were "upcoded":  
 18

20	1	Medicare	TA	3/8/05	\$1,819.14	1105069152750
21	2	Medicare	MB	2/11/05	\$1,819.14	1105045332740
22	3	Medicare	CC	9/15/05	\$494.44	1105258413130
23	4	Blue Shield of California	AL	5/15/09	\$2,217.21	026091411141300
25	5	Blue Cross of California	MM	6/14/05	\$2,471.84	05171604046

As a result of defendant's scheme to defraud, HCBPs suffered losses between \$400,000 and \$1,000,000.

## WAIVER OF CONSTITUTIONAL RIGHTS

11. By pleading guilty, defendant gives up the following rights:

- a) The right to persist in a plea of not guilty.
- b) The right to a speedy and public trial by jury.
- c) The right to the assistance of legal counsel at  
cluding the right to have the Court appoint counsel for  
for the purpose of representation at trial. (In this  
defendant understands that, despite his pleas of guilty,  
s the right to be represented by counsel -- and, if  
to have the court appoint counsel if defendant cannot  
nse -- at every other stage of the proceeding.)

d) The right to be presumed innocent and to have the burden of proof placed on the government to prove defendant guilty beyond a reasonable doubt.

e) The right to confront and cross-examine witnesses against defendant.

f) The right, if defendant wished, to testify on defendant's own behalf and present evidence in opposition to the charges, including the right to call witnesses and to subpoena those witnesses to testify.

g) The right not to be compelled to testify, and, if defendant chose not to testify or present evidence, to have that choice not be used against defendant.

By pleading guilty, defendant also gives up any and all rights to pursue any affirmative defenses. Fourth Amendment or

1 Fifth Amendment claims, and other pretrial motions that have been  
2 filed or could be filed.

3 SENTENCING FACTORS

4 12. Defendant understands that the Court is required to  
5 consider the factors set forth in 18 U.S.C. § 3553(a)(1)-(7),  
6 including the kinds of sentence and sentencing range established  
7 under the United States Sentencing Guidelines ("U.S.S.G." or  
8 "Sentencing Guidelines"), in determining defendant's sentence.  
9 Defendant further understands that the Sentencing Guidelines are  
10 advisory only, and that after considering the Sentencing  
11 Guidelines and the other § 3553(a) factors, the Court may be free  
12 to exercise its discretion to impose any reasonable sentence up to  
13 the maximum set by statute for the crimes of conviction.

14 13. Defendant and the USAO agree and stipulate to the  
15 following applicable Sentencing Guidelines factors:

16 Base Offense Level : 6 [U.S.S.G. § 2B1.1(a)(2)]

17 Specific Offense  
Characteristics

18 Losses between : +14 [U.S.S.G.  
\$400,000-\$1,000,000 § 2B1.1(B)(1)(H)]

19 Adjustments

20 Abuse of position : +2 [U.S.S.G. § 3B1.3]  
of trust

22 The USAO will agree to a downward adjustment for acceptance of  
23 responsibility (and, if applicable, move for an additional level  
24 under § 3E1.1(b)) only if the conditions set forth in paragraph  
25 19(d)) are met. Subject to paragraph 16, defendant and the USAO  
26 agree not to seek, argue, or suggest in any way, either orally or  
27 in writing, that any other specific offense characteristics or  
28 adjustments relating to the applicable Offense Level be imposed.

1 If, however, after signing this agreement but prior to sentencing,  
2 defendant were to commit an act, or the USAO were to discover a  
3 ~~previously undiscovered act committed by defendant prior to~~  
4 signing this agreement, which act, in the judgment of the USAO,  
5 constituted obstruction of justice within the meaning of U.S.S.G.  
6 § 3C1.1, the USAO would be free to seek the enhancement set forth  
7 in that section. Defendant and the USAO reserve the right to  
8 argue that departures under the Sentencing Guidelines are  
9 appropriate.

10 14. There is no agreement as to defendant's criminal history  
11 or criminal history category.

12 15. Defendant and the USAO, pursuant to the factors set  
13 forth in 18 U.S.C. § 3553(a)(1), (a)(2), (a)(3), (a)(6), and  
14 (a)(7), further reserve the right to argue for a sentence outside  
15 the sentencing range established by the Sentencing Guidelines.

16 16. The stipulations in this agreement do not bind either  
17 the United States Probation Office or the Court. Both defendant  
18 and the USAO are free to: (a) supplement the facts by supplying  
19 relevant information to the United States Probation Office and the  
20 Court, (b) correct any and all factual misstatements relating to  
21 the calculation of the sentence, and (c) argue on appeal and  
22 collateral review that the Court's Sentencing Guidelines  
23 calculations are not error, although each party agrees to maintain  
24 its view that the calculations in paragraph 13 are consistent with  
25 the facts of this case.

26 DEFENDANT'S OBLIGATIONS

27 17. Defendant agrees that he will:

28 a) Plead guilty as set forth in this agreement.

1                   b) Not knowingly and willfully fail to abide by all  
2 sentencing stipulations contained in this agreement.

3                   c) Not knowingly and willfully fail to: (i) appear for  
4 all court appearances, (ii) surrender as ordered for service of  
5 sentence, (iii) obey all conditions of any bond, and (iv) obey any  
6 other ongoing court order in this matter.

7                   d) Not commit any crime; however, offenses which would  
8 be excluded for sentencing purposes under U.S.S.G. § 4A1.2(c) are  
9 not within the scope of this agreement.

10                  e) Not knowingly and willfully fail to be truthful at  
11 all times with Pretrial Services, the U.S. Probation Office, and  
12 the Court.

13                  f) Pay the applicable special assessments at or before  
14 the time of sentencing unless defendant lacks the ability to pay  
15 and submits a completed financial statement (form OBD-500) to the  
16 USAO prior to sentencing.

17                  18. Defendant further agrees:

18                  a) That any failure to provide a full and complete  
19 financial disclosure of defendant's assets to the United States  
20 Probation Office will constitute a breach of this agreement; and

21                  b) To prevent the disbursement of monies and assets,  
22 except reasonable living, legal, and business expenses, and the  
23 sale of assets for the purpose of setting aside the proceeds for  
24 payment of any criminal restitution or civil settlement, if such  
25 disbursements are within defendant's direct or indirect control  
26 until time of sentencing.

27                  / / /

28                  / / /

## THE USAO'S OBLIGATIONS

2        19. If defendant complies fully with all defendant's  
3 obligations under this agreement, the USAO agrees:

4                   a) To abide by all sentencing stipulations contained in  
5 this agreement.

6 b) At the time of sentencing to move to dismiss the  
7 remaining counts of the information as against defendant.

8 Defendant agrees, however, that at the time of sentencing the  
9 Court may consider the dismissed counts in determining the  
10 applicable Sentencing Guidelines range, where the sentence should  
11 fall within that range, the propriety and extent of any departure  
12 from that range, and the determination of the sentence to be  
13 imposed after consideration of the Sentencing Guidelines and all  
14 other relevant factors under 18 U.S.C. § 3553(a).

1 guidelines and all other relevant factors.

9                   e) To recommend that defendant be sentenced to  
10 probation, which may include a period of community confinement,  
11 home detention, or community service. However, if the Court does  
12 not follow the government's recommendation and imposes a sentence  
13 of imprisonment, defendant cannot for that reason withdraw his  
14 guilty pleas.

15 f) Not to seek a fine in the event defendant enters into  
16 a civil settlement with the government in connection with this  
17 matter.

### BREACH OF AGREEMENT

19       20. If defendant, at any time after the execution of this  
20 agreement, knowingly violates or fails to perform any of  
21 defendant's agreements or obligations under this agreement ("a  
22 breach"), the USAO may declare this agreement breached. If the  
23 USAO declares this agreement breached at any time following its  
24 execution, and the Court finds such a breach to have occurred,  
25 then: (a) if defendant has previously entered guilty pleas,  
26 defendant will not be able to withdraw the guilty pleas, and (b)  
27 the USAO will be relieved of all of its obligations under this  
28 agreement.

21. Following the Court's finding of a knowing and willful breach of this agreement by defendant, should the USAO elect to pursue any charge that was either dismissed or not filed as a result of this agreement, then:

a) Defendant agrees that any applicable statute of limitations is tolled between the date of defendant's signing of this agreement and the commencement of any such prosecution or action.

b) Defendant gives up all defenses based on the statute of limitations, any claim of pre-indictment delay, or any speedy trial claim with respect to any such prosecution, except to the extent that such defenses existed as of the date of defendant's signing this agreement.

c) Defendant agrees that: (i) any statements made by defendant, under oath, at the guilty plea hearing (if such a hearing occurred prior to the breach); (ii) the stipulated factual basis statement in this agreement; and (iii) any evidence derived from such statements, are admissible against defendant in any such prosecution of defendant, and defendant shall assert no claim under the United States Constitution, any statute, Rule 410 of the Federal Rules of Evidence, Rule 11(f) of the Federal Rules of Criminal Procedure, or any other federal rule, that the statements or any evidence derived from any statements should be suppressed or are inadmissible.

LIMITED MUTUAL WAIVER OF APPEAL

22. Defendant gives up the right to appeal any sentence imposed by the Court, including any order of restitution, and the manner in which the sentence is determined, provided that (a) the

1 sentence is within the statutory maximum specified above and is  
2 constitutional, and (b) the Court imposes a sentence within or  
3 below the range corresponding to a total offense level of 19, and  
4 the applicable criminal history category as determined by the  
5 Court. Notwithstanding the foregoing, defendant retains any  
6 ability defendant has to appeal the Court's determination of  
7 defendant's criminal history category and the conditions of  
8 probation or supervised release imposed by the Court, with the  
9 exception of the following: conditions set forth in General  
10 Orders 318, 01-05, and/or 05-02 of this Court; the drug testing  
11 conditions mandated by 18 U.S.C. §§ 3563(a)(5) and 3583(d); and  
12 the alcohol and drug use conditions authorized by 18 U.S.C.  
13 § 3563(b)(7).

14       23. The USAO gives up its right to appeal the sentence,  
15 provided that (a) the sentence is within the statutory maximum  
16 specified above and is constitutional, and (b) the Court imposes a  
17 sentence within or above the range corresponding to a total  
18 offense level of 19, and the applicable criminal history category  
19 as determined by the Court.

20                   RESULT OF VACATUR, REVERSAL OR SET-ASIDE

21       24. Defendant agrees that if any count of conviction is  
22 vacated, reversed, or set aside, the USAO may: (a) ask the Court  
23 to re-sentence defendant on any remaining counts of conviction,  
24 with both the USAO and defendant being released from any  
25 stipulations regarding sentencing contained in this agreement, (b)  
26 ask the Court to void the entire plea agreement and vacate  
27 defendant's guilty pleas on any remaining counts of conviction,  
28 with both the USAO and defendant being released from all of their

1 obligations under this agreement, or (c) leave defendant's  
2 remaining convictions, sentence, and plea agreement intact.  
3 Defendant agrees that the choice among these three options rests  
4 in the exclusive discretion of the USAO.

5 COURT NOT A PARTY

6 25. The Court is not a party to this agreement and need not  
7 accept any of the USAO's sentencing recommendations or the  
8 parties' stipulations. Even if the Court ignores any sentencing  
9 recommendation, finds facts or reaches conclusions different from  
10 any stipulation, and/or imposes any sentence up to the maximum  
11 established by statute, defendant cannot, for that reason,  
12 withdraw defendant's guilty pleas, and defendant will remain bound  
13 to fulfill all defendant's obligations under this agreement. No  
14 one -- not the prosecutor, defendant's attorney, or the Court --  
15 can make a binding prediction or promise regarding the sentence  
16 defendant will receive, except that it will be within the  
17 statutory maximum.

18 NO ADDITIONAL AGREEMENTS

19 26. Except as set forth herein, there are no promises,  
20 understandings or agreements between the USAO and defendant or  
21 defendant's counsel. Nor may any additional agreement,  
22 understanding or condition be entered into unless in a writing  
23 signed by all parties or on the record in court.

24 PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

25 27. The parties agree and stipulate that this Agreement will  
26 be considered part of the record of defendant's guilty plea  
27 hearing as if the entire Agreement had been read into the record  
28 of the proceeding.

1 This agreement is effective upon signature by defendant and  
2 an Assistant United States Attorney.

3 AGREED AND ACCEPTED

4 UNITED STATES ATTORNEY'S OFFICE  
5 FOR THE CENTRAL DISTRICT OF CALIFORNIA

6 ANDRÉ BIROTTE JR.  
7 United States Attorney

8 JEANNIE M. JOSEPH  
9 Assistant United States Attorney

3/15/10

Date

10 I have read this agreement and carefully discussed every part  
11 of it with my attorney. I understand the terms of this agreement,  
12 and I voluntarily agree to those terms. My attorney has advised  
13 me of my rights, of possible defenses, of the sentencing factors  
14 set forth in 18 U.S.C. § 3553(a), of the relevant Sentencing  
15 Guidelines provisions, and of the consequences of entering into  
16 this agreement. No promises or inducements have been given to me  
17 other than those contained in this agreement. No one has  
18 threatened or forced me in any way to enter into this agreement.  
19 Finally, I am satisfied with the representation of my attorney in  
20 this matter.

3/15/10

Date

21 GLEN R. JUSTICE  
22 Defendant

23 I am defendant GLEN R. JUSTICE's attorney. I have carefully  
24 discussed every part of this agreement with my client. Further, I  
25 have fully advised my client of his rights, of possible defenses,  
26 of the sentencing factors set forth in 18 U.S.C. § 3553(a), of the  
27 relevant Sentencing Guidelines provisions, and of the consequences  
28 of entering into this agreement. To my knowledge, my client's

1 decision to enter into this agreement is an informed and voluntary  
2 one.

3 DAVID WIECHERT  
4 Counsel for Defendant  
5 GLEN R. JUSTICE

3-15-10  
6 Date

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UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA  
SOUTHERN DIVISION

UNITED STATES OF AMERICA, ) SA CR No. 10-  
Plaintiff, ) I N F O R M A T I O N  
v. ) [18 U.S.C. § 1347: Health Care  
GLEN R. JUSTICE, ) Fraud; 18 U.S.C. § 2: Aiding  
Defendant. ) and Abetting/Causing an Act to  
 ) be Done]  
 )  
 )  
 )

The United States Attorney alleges:

## COUNTS ONE THROUGH FIVE

[18 U.S.C. §§ 2, 1347]

## A. INTRODUCTION

At all times relevant to this Information:

23 1. Defendant GLEN R. JUSTICE ("defendant") was a physician  
24 who owned and operated a medical practice called Pacific Coast  
25 Hematology/Oncology Medical Group, Inc., located at 11190 Warner  
26 Avenue #300, Fountain Valley, California.

27        2. Defendant further was enrolled as a provider with  
28 federally-funded and private health care benefit programs,

1 including, but not limited to, Medicare, Tricare, carriers  
2 contracted with the federal government through the Federal  
3 Employee Health Benefit Program, and Blue Cross and Blue Shield  
4 of California (collectively, "Health Care Benefit Programs" or  
5 "HCBPs").

6       3. Defendant billed HCBPs for injectable medications  
7 relating to cancer treatment, including, but not limited to,  
8 Neulasta (CPT Codes Q4503 and J2505), Neupogen (CPT Codes J1440  
9 and J1441), Procrit/Epogen/Aranesp (CPT Codes Q0137 and J0880),  
10 and Neumega (CPT Codes J2352 and J2355) (collectively, "Injectable  
11 Medications").

12      B. THE FRAUDULENT SCHEME

13       4. Beginning on a date unknown, but at least since in or  
14 around 2002, and continuing through at least in or around October  
15 2009, in Orange County, within the Central District of  
16 California, and elsewhere, defendant, together with others known  
17 and unknown to the United States Attorney, aiding and abetting  
18 each other, knowingly, willfully, and with the intent to defraud,  
19 devised and executed a scheme and artifice: (a) to defraud HCBPs  
20 as to material matters in connection with the delivery of and  
21 payment for health care benefits, items, and services; and (b) to  
22 obtain money from HCBPs by means of material false and fraudulent  
23 pretenses and representations and the concealment of material  
24 facts in connection with the delivery of and payment for health  
25 care benefits, items, and services.

26      C. MEANS TO ACCOMPLICE THE FRAUDULENT SCHEME

27       5. The fraudulent scheme operated, in substance, in the  
28 following manner:

1 a. Defendant, together with others known and unknown  
2 to the United States Attorney, aiding and abetting each other,  
3 and acting with intent to defraud and deceive, knowingly and  
4 willfully caused false information and false statements to be  
5 communicated, and material information to be concealed and  
6 omitted, in billings to HCBPs, including, without limitation:

10 (ii) Representing that more expensive Injectable  
11 Medications were provided when, in fact, less expensive  
12 Injectable Medications were provided, i.e., "upcoding."

13                   b.    Defendant, together with others known and unknown  
14 to the United States Attorney, and acting with intent to defraud  
15 and deceive, knowingly and willfully caused, aided and abetted,  
16 and engaged in fraudulent and deceptive acts, practices, and  
17 devices including, without limitation:

24       6. At the time defendant made the false statements and  
25 caused them to be made, concealed and omitted material  
26 information and caused such information to be concealed and  
27 omitted, and caused, aided and abetted, and engaged in the  
28 fraudulent acts, practices, and devices set forth above,

1 defendant knew that said statements were false, that material  
2 information was concealed and omitted, and that the subject acts,  
3 practices, and devises were fraudulent, unlawful, and deceptive.

4 In particular, defendant knew the following:

5 a. That defendant was not allowed to bill HCBPs for  
6 services that were not provided; and

7 b. That defendant was not allowed to "upcode" the  
8 type of service provided to obtain a greater reimbursement from  
9 HCBPs.

10 7. In carrying out the scheme, acting with intent to  
11 defraud and deceive, defendant concealed and failed to disclose  
12 to HCBPs the true facts about his fraudulent business practices  
13 regarding the delivery of and payment for Injectable Medications.  
14 Such concealed and omitted facts were material in that, had the  
15 HCBPs known the true facts, they would not have paid for the  
16 Injectable Medications defendant billed that were not provided.

17 D. RESULTS OF THE FRAUDULENT SCHEME

18 8. By devising and executing the fraudulent scheme,  
19 defendant caused losses to HCBPs of between \$400,000 and  
20 \$1,000,000.

21 E. EXECUTION OF THE FRAUDULENT SCHEME

22 9. On or about the dates set forth below, within the  
23 Central District of California, and elsewhere, defendant,  
24 together with others known and unknown to the United States  
25 Attorney, aiding and abetting each other, for the purpose of  
26 executing and attempting to execute the scheme to defraud  
27 described above, knowingly and willfully caused to be submitted  
28 to the indicated HCBPs the following false and fraudulent claims:

1	2	3	4	5	6
3	1	Medicare	TA	3/8/05	\$1,819.14
4	2	Medicare	MB	2/11/05	\$1,819.14
5	3	Medicare	CC	9/15/05	\$489.44
6	4	Blue Shield of California	AL	5/15/09	\$2,217.21
7	5	Blue Cross of California	MM	6/14/05	\$2,471.84
8					026091411141300
9					05171604046

10 ANDRÉ BIROTTÉ JR.  
11 United States Attorney

12 CHRISTINE C. EWELL  
13 Assistant United States Attorney  
Chief, Criminal Division

14

15 DOUGLAS F. McCORMICK  
16 Assistant United States Attorney  
Acting Chief, Santa Ana Branch Office

17 JEANNIE M. JOSEPH  
18 Assistant United States Attorney

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